

**187—19.14 (17A,261) Nonpayment of student loan.** The superintendent shall deny the issuance or renewal of a mortgage loan originator license upon receipt of a certificate of noncompliance from the college student aid commission according to the procedures set forth in Iowa Code chapter 261. In addition to those procedures, this rule shall apply.

**19.14(1)** The notice required by Iowa Code section 261.126 shall be served by restricted certified mail, return receipt requested, or by personal service in accordance with the Iowa Rules of Civil Procedure. Alternatively, the applicant or mortgage loan originator may accept service personally or through authorized counsel.

**19.14(2)** The effective date of the denial of the issuance or renewal of a mortgage loan originator license, as specified in the notice required by Iowa Code section 261.126, shall be 60 days following service of the notice upon the applicant or mortgage loan originator.

**19.14(3)** The superintendent is authorized to prepare and serve the notice required by Iowa Code section 261.126 upon the applicant or mortgage loan originator.

**19.14(4)** Applicants and mortgage loan originators shall keep the superintendent informed of all court actions and all college student aid commission actions taken under or in connection with Iowa Code chapter 261 and shall provide the superintendent copies, within seven days of filing or issuance, of all applications filed with the district court pursuant to Iowa Code section 261.127, all court orders entered in such actions, and withdrawals of certificates of noncompliance by the college student aid commission.

**19.14(5)** All superintendent fees required for application or license renewal or reinstatement must be paid by applicants or mortgage loan originators, and all continuing education requirements must be met before a mortgage loan originator license will be issued, renewed, or reinstated after the superintendent has denied the issuance or renewal of a mortgage loan originator license pursuant to Iowa Code chapter 261.

**19.14(6)** In the event an applicant or mortgage loan originator timely files a district court action following service of a superintendent notice pursuant to Iowa Code sections 261.126 and 261.127, the superintendent shall continue with the intended action described in the notice upon the receipt of a court order lifting the stay, dismissing the action, or otherwise directing the superintendent to proceed. For purposes of determining the effective date of the denial of the issuance or renewal of a mortgage loan originator license, the superintendent shall count the number of days before the action was filed and the number of days after the action was disposed of by the court.

**19.14(7)** The superintendent shall notify the applicant or mortgage loan originator in writing through regular first-class mail, or such other means as the superintendent deems appropriate in the circumstances, within ten days of the effective date of the denial of the issuance or renewal of a mortgage loan originator license, and shall similarly notify the applicant or mortgage loan originator when the license is issued or renewed following the superintendent's receipt of a withdrawal of the certificate of noncompliance.

This rule is intended to implement Iowa Code sections 261.126 and 261.127 and chapter 17A.